From: Globe Business
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Talking Points

Welcome back to Talking Points for Thursday, Sept. 13. Breaking

now: Firefighters have been called to at least 17 addresses in Lawrence, Andover, and North Andover for reports of suspected gas fires and explosions, State Police said Thursday. Check here for developments.

Chesto Means Business

Dark cloud looming: Employers in Massachusetts are more optimistic in recent months than they've been in over a decade. But there's a dark cloud hanging over the party: the potential for painful tariffs on imports from China.

Associated Industries of Massachusetts CEO Rick Lord joined the chorus of worried business leaders last week by sending a letter to US Trade Representative Robert Lighthizer, urging him to back away from a new round of tariffs on some $200 billion-a-year worth of Chinese goods.

Lord said he agrees on the need to address China's unfair trade practices, but this is the wrong way to do it. AIM members can't easily change their supply chains, and many face tougher competition from overseas rivals as a result of the tariffs. The extra costs on materials and components will limit new hires, pare back raises, or result in layoffs. None of these outcomes are good for the Massachusetts economy.

AIM isn't alone, of course. A national coalition of some 120 business groups launched Americans for Free Trade on Wednesday, a multimillion-dollar campaign against tariffs. The group's focus far exceeds the China situation, but the launch happens to coincide with word that the Trump administration has reached out to Chinese officials to make a deal on trade.

Kristen Rupert, AIM's point person on international trade, says she is skeptical that the latest overture will prevent President Trump from approving another round of tariffs, of up to 25 percent on Chinese goods. These could be established within the next few weeks, and affect everyone from chipmakers to apparel designers. And she worries about the rumors that the administration is circulating an even bigger list of tariffs -- to top this one, if necessary.

AIM represents manufacturers. But the newest Federal Reserve survey shows retailers in New England are also concerned with how tariffs on Chinese goods will affect prices on items such as clothes, electronics, and furniture. (Worth noting: Most local manufacturers contacted by Fed researchers for the "Beige Book" poll said they don't expect too much damage from the tariffs.) Retail sales are generally strong now. But merchants wonder how long the good times will last if the Trump administration sets off a full-scale trade war.

Jon Chesto is a Globe reporter. Reach him at jon.chesto@globe.com and follow him on Twitter @jonchesto.

Executive Summary

Drug war: Boston Mayor Marty Walsh has joined dozens of smaller municipalities across the state in pursuing drug companies in court over the opioid epidemic. Boston officials filed a lawsuit in Suffolk Superior Court today against a lineup of opioid manufacturers and distributors, accusing them of misleading marketing and reckless dissemination of the addictive drugs. Among other things, the lawsuit seeks injunctive relief that would help the city address the crisis. Read more here.

Another one bites the dust: Massachusetts appears poised to lose another indoor shopping mall after the owners of the Eastfield Mall in Springfield said that they've hired brokerage Cushman & Wakefield to advance a redevelopment of the 87-acre property. In all likelihood, the end result will be some sort of open-air shopping center, potentially with offices and housing. The news came just days after Sears announced it would close its anchor store in the mall. In recent years, the mall has also lost a JCPenney and a Macy's. (MassLive)

The GE Diet: General Electric continues to jettison businesses as CEO John Flannery tries to focus the sprawling industrial conglomerate and boost its profitability. The latest to go: the Baltimore-based MRA Systems, which makes aircraft engine parts. Singapore Technologies Engineering is picking it up in a deal valued at $630 million. The sale is expected to close by March, assuming all the regulatory approvals go through. This is one small piece of Flannery's efforts to divest at least $20 billion worth of business

lines from Boston-based GE.

Ready to play: The Worcester City Council approved its relocation package for the Pawtucket Red Sox in a 9-1 vote. The move paves the way for the city to borrow up to $101 million to build a 10,000-seat ballpark near Kelley Square that would be the new home for the PawSox, the Triple-A affiliate of the Boston Red Sox, starting in 2021. The team will change its official name to the Worcester Red Sox, but the nickname has not yet been determined. City officials are banking on a combination of taxes on new development near the park and the team's rent payments to cover the cost of the bonds. (Telegram & Gazette)

Dark money: There's a new opposition group to Central Maine Power's proposed $950 million transmission line, known as New England Clean Energy Connect, but its grass roots are doubtful. The group isn't revealing its financial backers, but critics of the project include power-plant owners who are worried about competition with the cheap hydroelectricity that the CMP line would transport from Canada to be used in Massachusetts. (Portland Press Herald)

Ready for battle: Union hotel workers have voted to authorize a strike at eight Marriott Hotels in the Boston area. Unite Here Local 26, which represents more than 1,800 Marriott employees, has been in contract talks with the company for months. A contract with Marriott would ultimately apply to all union hotels in the Boston area, covering some 5,000 workers. Local 26 president Brian Lang says his members are fired up -- and ready to walk off the job. Read more here.

What happened elsewhere:

- New Goldman boss shakes things up (CNBC)
- GM recalls 1.2M vehicles (Reuters)
- EU copyright decision could hit big tech firms (Bloomberg)
- Jeff Bezos pledges $2B for charity (WSJ)
- CBS begins life without Les (AP)
- Domino's drops tattoos-for-pizza stunt (Marketing Dive)

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